

FISCAL NOTE

HB 2500 – SB 2758

January 28, 2008

SUMMARY OF BILL: Authorizes retired state employees with at least 30 years of service to take one free course per term at state institutions of higher education.

ESTIMATED FISCAL IMPACT:

**Increase State Expenditures - \$38,000 FY08-09
\$40,700 FY09-10**

**Foregone State Revenue - \$114,100 FY08-09
\$122,100 FY09-10**

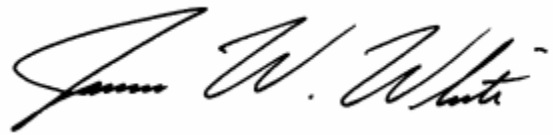
Assumptions:

- The number of retired state employees used for calculation purposes is 7,220.
- 30% of these retired state employees have 30 or more years of service.
- The number of retired state employees eligible to participate in the program is estimated to be 2,166 (7,220 retired state employees x 30%).
- The cost of the state employee fee waiver program in FY06-07 was approximately \$2,055,000 for 4,000 fee waiver courses, although only approximately \$500,000 was funded through state appropriations.
- The number of retired state employees who are expected to participate in this program is estimated to be 43 (2,166 retirees x 2.00%).
- Based on FY06-07 the cost for 43 retirees taking an estimated six hours each year (258 hours x \$515) for a total cost of \$132,900, of which \$33,200 is state appropriations (25%) and \$99,700 is foregone state revenue (75%).
- Tuition is estimated to increase an average of 7% per year.
- The cost of the program in FY08-09 is estimated to be \$38,000 in state appropriations and \$114,100 in foregone state revenue.

- The cost of the program in FY09-10 is estimated to be \$40,700 in state appropriations and \$122,100 in foregone state revenue.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" written in a smaller, more compact script than the last name "White".

James W. White, Executive Director

/rct